



BRIEFING: May 2013 BOARD MEETING AGENDA ITEM #3

TO: Chairman Richard and Board Members

FROM: Frank Vacca, Chief Program Manager and Tom Fellenz, Chief Counsel

DATE: May 2, 2013

RE: Approval of Amendment to AECOM Regional Consultant Contract:
Merced-Fresno Section

Introduction

It is the Authority's intent to best serve the public interest by delivering all aspects of the California High-Speed Rail Program on schedule, at the lowest possible cost, and with quality that meets or exceeds acceptable industry and government standards. Based on the following analysis, staff has determined it is in the best interest of the State to amend this existing contract for time only and therefore requests Board approval of the staff recommendation. This contract, as with all of the Authority's Architectural & Engineering (A&E) contracts, contains the Board adopted 30 percent small business participation goal and a 30 day termination clause.

Background

The Authority's contract with AECOM, one of the eight Regional Consultant Contractors, is approaching the limits of its current duration and requires Board approval for an amendment. AECOM is the prime Regional Consultant for the Merced to Fresno project section. The Merced to Fresno section is 60 miles long. It roughly parallels Highway 99 through this stretch of the San Joaquin Valley. The current contract expires on June 30, 2013. The contract is task driven and the RC will only perform duties that it is directed to perform by the Authority.

The contract with AECOM was awarded on February 12, 2007. The procurement process was managed directly by Authority staff consistent with the state's competitive A&E procurement process. Proposals were evaluated by a team of Authority staff and staff from other state departments with contracting experience who evaluated the proposals and made recommendations to the Authority. This contract, as with all of the Authority's Architectural & Engineering (A&E) contracts, contains a 30 day termination clause.

A Record of Decision for this section was issued in September 2012; it has been environmentally cleared for construction and permitting is currently underway.

Staff recommends amending the contract duration with AECOM on the Merced to Fresno section for up to 24 months, through June 30, 2015. This amendment will allow for completion of the preliminary engineering work associated with the design build procurement, secure the

related permits and support the identification and acquisition of environmental mitigation sites. Extending the contract will enable the Authority to retain the team's expertise and experience and will maintain continuity and momentum for completing this work. It is important to note that this extension is based on producing specific deliverables, work product, and project milestones. This extension does not require any additional financial resources beyond current contract levels.

About AECOM

AECOM is a provider of professional technical and management support services to a broad range of markets, including transportation, facilities, environmental, energy, water and government around the world.

Key Facts

- Established: 1996
- Number of Employees: 45,000 in 140 countries
- FY12 Revenue: \$8.2 billion

Discussion

The contract with AECOM is as an Architectural and Engineering (A&E) services contract as defined in Government Code, Section 4525 and, therefore, extending this contract through the amendment process is within the Board's scope and will not require approval by the Department of General Services pursuant to Section 11.00 of the State Contracting Manual (SCM).

This recommendation considers the following opportunities and risks: loss of consistency/continuity, stakeholder relationships, competition, potential conflicts of interest, loss of institutional knowledge, and imminent disruption and delay. This qualitative risk-based assessment was performed in consultation with the Authority's Chief Deputy Director, Chief Program Manager, Chief Financial Officer, Regional Directors, Chief Counsel, and Risk Manager.

As the program advances and matures, professional consultant services procurement, structure, and organization will be continuously assessed and enhanced. Due to the dynamic nature of the project, there will likely be future opportunities to improve efficiency. Over the next year, the Authority plans to implement various strategic planning initiatives. The area of professional consulting services procurement will be one area of emphasis with the goal of building on the Authority's long term consulting strategy.

The attached graph shows the status of expenditures for the regional consultants and the program management team. The expenditures are currently trending below what was initially planned as schedule and work adjustments have been made consistent with the Revised 2012 Business Plan, SB 1029, Proposition 1A and federal funding guidelines.

The Authority awarded the contract to AECOM for two sections: Merced to Fresno and Merced to Sacramento. The original contract value for both sections was \$83.4 million to complete the EIR/EIS, 15 percent engineering and to conduct public outreach on both sections. As of February 2013, \$47.7 million has been expended on the Merced to Fresno section. The funding

for this contract is comprised of the American Recovery and Reinvestment Act (ARRA) and the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century (Proposition 1A) funds. A separate Board item will address a recommended amendment for the Merced to Sacramento section.

This proposed amendment is to extend the contract duration up to 24 months for work on the Merced to Fresno section as identified below. No additional funding is required.

This proposed amendment would cover the following:

- Extend contract duration by 24 months, from July 1, 2013 through June 30, 2015
- Complete preliminary engineering associated with the design-build procurement from Merced to the northern limit of the Wye connection
- Complete the permitting requirements
- Complete the identification and acquisition of environmental mitigation sites

Recommendation

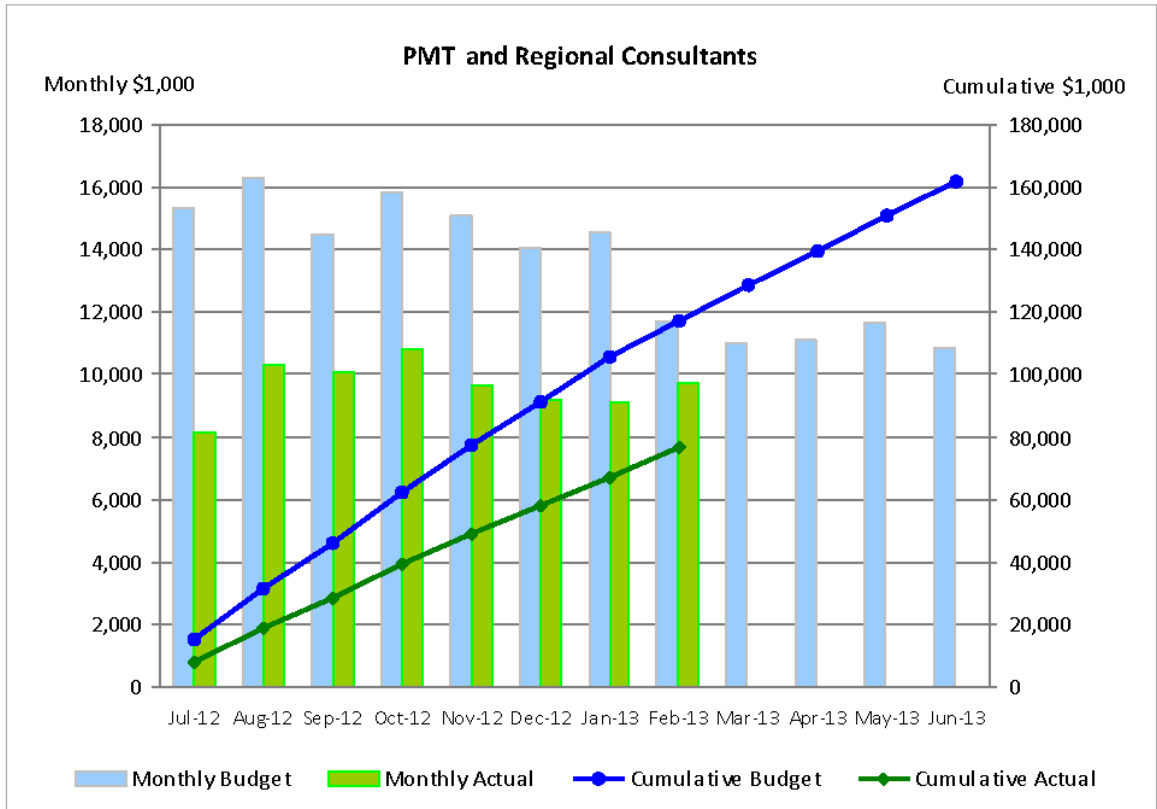
Staff recommends that the Board approve a contract amendment with AECOM for up to 24 months through June 30, 2015 for the Merced to Fresno section.

PROJECT SECTION	FIRM	CURRENT TERM	AMENDED TERM	CURRENT BUDGET*	EXPENDITURES AS OF FEB. 2013
Merced to Fresno	AECOM	6/30/2013	6/30/2015	\$65,100,000	\$47,700,000

*Total contract value is \$83,400,000

Attachment

- PMT and Regional Consultants expenditure graph
- Resolution # HSRA 13-09



CHSRA Program Components	February (\$1,000)		Fiscal Year Cumulative (\$1,000)				Total FY Budget
	Monthly Planned	Monthly Actual	Planned	Actual	Variance Over/Under	% (-Over/+Under)	
Program Management (PB)	\$4,662	\$4,365	\$39,302	\$29,918	\$9,383	24	\$58,992
San Francisco - San Jose (HNTB)	\$133	\$31	\$1,156	\$217	\$939	81	\$1,728
San Jose - Merced (Parsons)	\$1,288	\$1,131	\$7,545	\$6,823	\$722	10	\$12,957
Merced - Fresno (AECOM)	\$944	\$1,050	\$9,787	\$8,212	\$1,575	16	\$13,296
Fresno - Bakersfield (U-H-A)	\$1,612	\$1,753	\$23,726	\$12,643	\$11,083	47	\$28,347
Bakersfield - Palmdale (U-H-A)	\$916	\$559	\$13,963	\$8,704	\$5,259	38	\$16,296
Palmdale - Los Angeles (H-U-A)	\$908	\$519	\$9,771	\$6,339	\$3,432	35	\$12,017
Los Angeles - Anaheim (STV)	\$468	\$118	\$3,735	\$1,562	\$2,172	58	\$6,068
Los Angeles - San Diego (HNTB)	\$348	\$41	\$3,039	\$1,111	\$1,928	63	\$4,550
Sacramento - Merced (AECOM)	\$261	\$79	\$3,035	\$839	\$2,196	72	\$4,100
Altamont (AECOM)	\$158	\$81	\$2,379	\$631	\$1,748	73	\$3,686
TOTAL	\$11,697	\$9,727	\$117,437	\$76,999	\$40,438	34	\$162,036